

RECEIVED

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

AUG 08 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
)	
Access Charge Reform)	CC Docket No. 96-262
)	
Price Cap Performance Review for Local Exchange Carriers)	CC Docket No. 94-1
)	
Transport Rate Structure and Pricing)	CC Docket No. 91-213
)	
End User Common Line Charges)	CC Docket No. 95-72

COMMENTS OF U S WEST, INC.

U S WEST, Inc. ("U S WEST") hereby submits its comments in support of the Petition for Stay Pending Judicial Review ("Petition") filed by The NYNEX Telephone Companies ("NYNEX") on July 23, 1997.

In its Petition, NYNEX presented a compelling case for a partial Stay of the Federal Communications Commission's ("Commission") First Report and Order in this proceeding.¹ NYNEX demonstrated that the Commission's decision has the unfair and perhaps unintended effect of permitting customers who do not utilize its local transport to avoid payment of the subsidies embedded in the transport

¹ In the Matter of Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, End User Common Line Charges, CC Docket Nos. 96-262, 94-1, 91-213, 95-72, First Report and Order, FCC 97-158, rel. May 16, 1997 ("First Report and Order"); appeals pending sub noms. Bell Atlantic-Virginia, Inc. v. FCC, No. 97-2856 (8th Cir.), Cable & Wireless, Inc. v. FCC, No. 97-2866 (8th Cir.), MCI Telecommunications Corp. v. FCC, No. 97-2873 (8th Cir.), MCI Telecommunications Corp. v. FCC, No. 97-2875 (8th Cir.), LCI International Telecom Corp. v. FCC, No. 97-3331 (8th Cir.), U S WEST, Inc. v. FCC, No. 97-2877 (8th Cir.), Texas Office of Public Utility Counsel v. FCC, 97-60403 (5th Cir.).

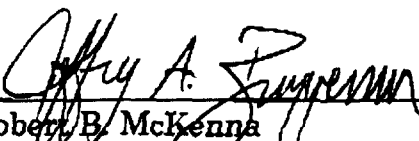
interconnection charge ("TIC"). Absent a Stay, the resulting artificial price distortion in the local transport market would cause irreparable harm to NYNEX, while providing a windfall to competitive access providers ("CAP") and interexchange carriers ("IXC") that utilize NYNEX's local switching, but not its local transport.

U S WEST has determined that it too would suffer irreparable harm if the Commission's discriminatory mechanism for recovering embedded TIC subsidies is allowed to take effect. Specifically, U S WEST also will continue to have a large residual TIC after January 1, 1998, which means that its cost of providing local transport service will be significantly higher than that of a CAP providing a similar service. U S WEST will file its own Petition for Partial Stay Pending Judicial Review so that it may continue to apply the residual TIC regardless of whether the traffic is carried on the transport facilities of a CAP.

Respectfully submitted,

U S WEST, INC.

By:


Robert B. McKenna
Jeffrey A. Brueggeman
Suite 700
1020 19th Street, N.W.
Washington, DC 20036
(303) 672-(303) 672-2861


Its Attorney

Of Counsel,
Dan L. Poole

August 8, 1997

CERTIFICATE OF SERVICE

I, Rebecca Ward, do hereby certify that on this 8th day of August, 1997, I have caused a copy of the foregoing **COMMENTS OF U S WEST, INC.** to be served via United States mail, postage pre-paid, upon the persons listed on the attached service list.



Rebecca Ward

*** Via Hand-Delivery**

(CC96262F.COS/BM/ss)

*Reed E. Hundt
Federal Communications Commission
Room 814
1919 M Street, N.W.
Washington, DC 20554

*James H. Quello
Federal Communications Commission
Room 802
1919 M Street, N.W.
Washington, DC 20554

*Susan P. Ness
Federal Communications Commission
Room 832
1919 M Street, N.W.
Washington, DC 20554

*Rachelle B. Chong
Federal Communications Commission
Room 844
1919 M Street, N.W.
Washington, DC 20554

*Regina M. Keeney
Federal Communications Commission
Room 500
1919 M Street, N.W.
Washington, DC 20554

*James D. Schlichting
Federal Communications Commission
Room 518
1919 M Street, N.W.
Washington, DC 20554

*Wanda Harris
Federal Communications Commission
Room 518
1919 M Street, N.W.
Washington, DC 20554

*David Hunt
Federal Communications Commission
Room 518
1919 M Street, N.W.
Washington, DC 20554

*International Transcription
Services, Inc.
1231 20th Street, N.W.
Washington, DC 20036

Joseph DiBella
The NYNEX Telephone Companies
Suite 400 West
1300 I Street, N.W.
Washington, DC 20005